

20 December 2019

Pilot plant at Mayur's Orokolo Bay Industrial Sands Project on track for construction in 2020

Mayur Resources' (ASX: MRL) plans to build a pilot plant at its Orokolo Bay Industrial Sands Project in Papua New Guinea (PNG) next year remain firmly on track following the purchase of key plant equipment and mobile machinery.

The construction, commissioning and operation of the small-scale bulk sampling pilot plant represents Stage 1 of our joint venture with China Titanium Resources Holdings (CTRH)¹, who will invest up to \$25 million for a 49% stake in the Orokolo project.

The pilot plant will produce up to 100,000 tonnes of iron ore sands per annum to provide commercial scale test shipments of product to potential off takers. In turn, the company will seek to convert its existing Letters of intent into binding long-term offtake agreements for the planned full-scale plant (as per Stage 2 of the JV agreement). Processing for the pilot phase will involve simple near surface sand extraction and mineral separation by low intensity magnets.

The inventory is now being delivered to CTRH's facility in China ahead of shipment to PNG and includes:

- Process plant equipment including low intensity magnetic separators (LIMS)
- Mobile machinery including haul trucks, excavator and a wheel loader

Fabrication of the steelwork for the project has commenced in China and Mayur is due to undertake acceptance inspections in early February 2020.



Low intensity magnetic separators and haul trucks purchased for the project

¹ Refer to ASX release dated 7 January 2019 – Transaction completed with CTRH

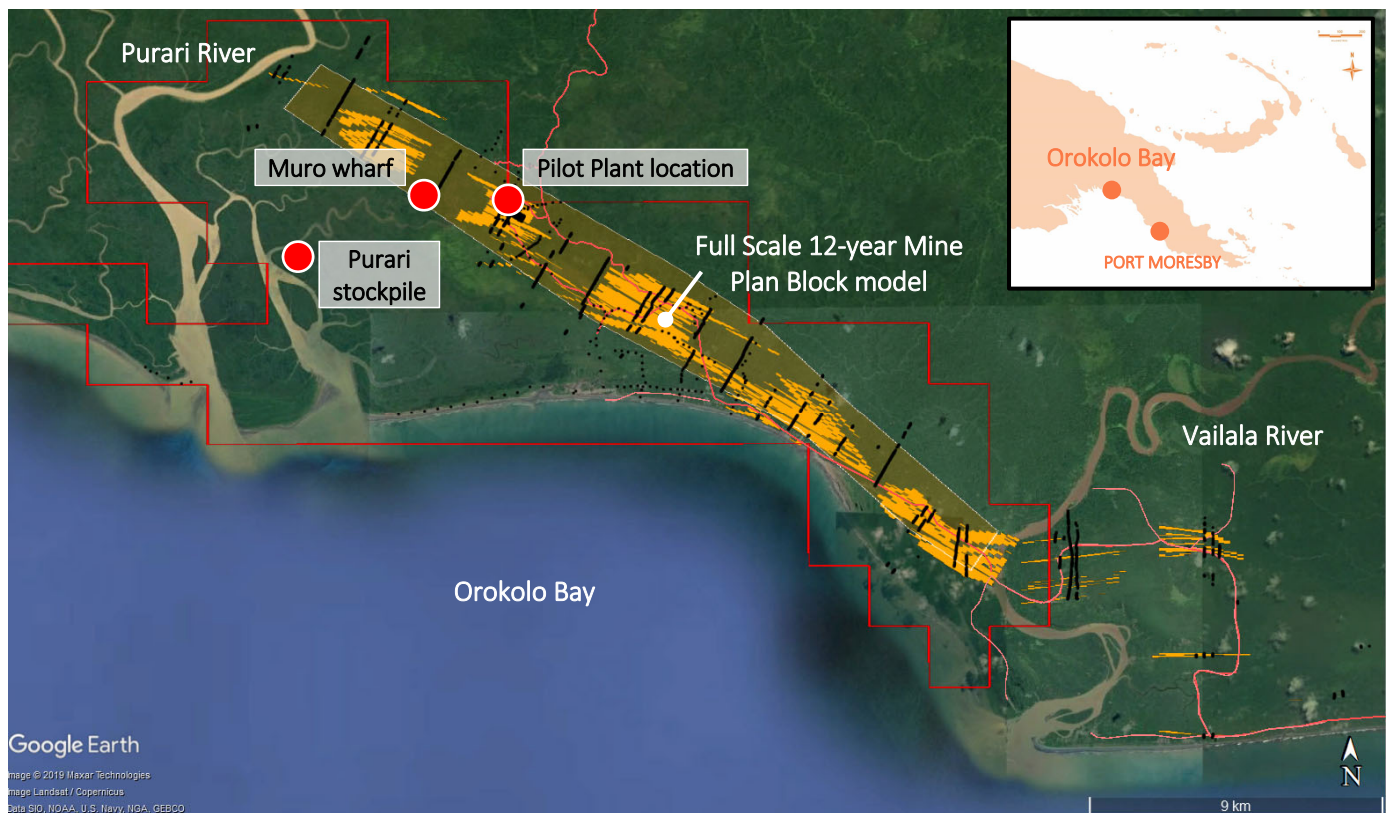
**Nation building in
Papua New Guinea**

Site visit with CTRH

Mayur and CTRH also conducted a detailed site investigation trip to confirm the barging routes for access to and from the pilot plant via the Muro wharf and proposed Purari stockpile facility. The visit included surveying each of the routes in an ocean-going tug enabling the team to confirm bathymetric chart data and vessel routes. The trip also enabled the planning of the key site preparation activities that are due to commence in early 2020.



Mayur and CTRH and Mayur visit site, travelling by barge to Muro wharf



Orokolo Bay Industrial Sands Project location

Completion of Operations Manual

Mayur and CTRH have also finalised the detailed Operations Manual for the project, documenting the requirements and procedures that will enable greater efficiencies, reliability and consistency in outputs. Apart from being an essential risk control document, the manual will provide a knowledge base for the project that will be periodically reviewed and updated.

Managing Director Paul Mulder was pleased with the progress on the project which he described as a relatively simple, low impact sand mining operation, with no requirement for chemical processing, grinding or tailings dams.

“The commencement of this procurement and the associated JV site visit are important steps in the development of the Orokolo Bay Project,” Mr Mulder said.

“We also continue to work closely with the Mineral Resources Authority, Gulf Provincial Government and the local communities to bring this project into reality.”

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ABOUT MAYUR RESOURCES

Mayur Resources is an ASX-listed company focused on the development of natural resources in Papua New Guinea. The maturation of our diversified asset portfolio, which spans industrial minerals, power generation, coal, copper and gold, will contribute to nation-building and job creation in a country experiencing a significant growth trajectory. Our unique portfolio of projects, many in close proximity to world-class producing mines, are located on or near to the coast for easy development access and future access to seaborne markets.